(2)

FILED
MAR 11 1942
CHARLES ELMORE CROPLEY
CLERK

IN THE

Supreme Court of the United States

October Term, 1941.

No. 965.

GENZO SHIMADZU and NORTHEASTERN ENGINEERING CORPORATION,
Petitioners,

v.

THE ELECTRIC STORAGE BATTERY COMPANY,
Respondent.

Brief for Respondent in Opposition to Petition for Writ of Certiorari.

HUGH M. MORRIS,
Attorney for Respondent.

A. B. STOUGHTON,
A. F. KWIS,
E. S. FARNUM, JR.,
ALEXANDER L. NICHOLS,
Of Counsel for Respondent.

International, 236 Chestnut St., Philadelphia

INDEX.

	Page
Authorities	ii
Statutes cited	iii
Previous decisions	1
Statement	2
Petition filed herein discloses no valid reason for granting the writ	8
Appendix	1a

AUTHORITIES.

	Page
Alabama Power Co. v. Ickes, 302 U. S. 464	5
Electric Battery Co. v. Shimadzu, 307 U. S. 5	2, 3, 5, 9
Electric Storage Battery Co. v. Shimadzu, et al., 307 U. S. 616	12
General Pictures Corp. v. Western Electric Co., 304 U. S. 175	4
Keller v. Adams-Campbell Co., 264 U. S. 314	8
Layne &c. Co. v. Western Well Works, 261 U. S. 387	8, 11
LeTulle v. Scofield, 308 U. S. 415	8
In re Sanford Fork & Tool Co., 160 U. S. 247	5
Stelos Co. v. Hosiery Corp., 295 U. S. 237	8

STATUTES CITED.

	Page
R. S. 4887 (35 U. S. C. § 32)	6, 7, 8
R. S. 4888	6

IN THE

Supreme Court of the United States.

No. 965. October Term, 1941.

GENZO SHIMADZU AND NORTHEASTERN ENGINEERING CORPORATION,
Petitioners,

v.

THE ELECTRIC STORAGE BATTERY COMPANY,
Respondent.

BRIEF FOR RESPONDENT IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

Previous Decisions.

Original Opinion of the District Court (printed at R. II, 1162, reported in 17 F. Supp. 42).

Supplemental Opinion of the District Court (not included in Record, reported in 36 U. S. P. Q. 25).

Opinion of Circuit Court of Appeals on first appeal (printed at R. IV, 1272; reported in 98 F. (2d) 831).

Opinion of this Court on previous certiorari (printed at R. IV, 1279; reported 307 U. S. 5).

Opinion of the District Court on scope of mandate (not included in Record; reported in 30 F. Supp. 865).

Opinion of the District Court on remand from this Court (printed at R. IV, 1298; reported in 35 F. Supp. 745).

Opinion of Circuit Court of Appeals on second appeal (printed at R. IV, 1467; reported 123 F. (2d) 890).

Statement.

This is a patent infringement suit.

Claims 1 and 2 of Patent 1,584,149 are involved.

Both claims were adjudged invalid by the Court below (R. IV, 1480, 1483) upon an appeal from a decision of the District Court made after the case had been remanded by this Court to the District Court with directions "to proceed in the light of the dismissal as to those patents, to determine whether 1,584,149 is valid and infringed." Rehearing was denied January 5, 1942. (R. IV, 1493.)

When this case was first here, (No. 441, October Term, 1938), this Court said (307 U. S. 5; R. IV, 1279):

> "The courts below have held valid and infringed certain claims of three patents [1] granted to Genzo Shimadzu, a citizen and resident of Japan. The earliest is for a method of forming a finely divided and, consequently, more chemically reactive, lead powder. The second is for a method or process of manufacturing a fine powder composed of lead suboxide and metallic lead and for the product of the process. The third is for an apparatus for the continuous production of lead oxides in the form of a dry fine powder. Such powder is useful in the manufacture of plates for storage batteries". (R. IV, 1279.)
>
> * * *
>
> "The petitioner sought certiorari alleging that the case presents three questions, one which should be settled by this court and two which were decided below contrary to our adjudications.

---

[1] "Patents — Date Granted — Claims

1,584,149	5/11/26	1 and 2
1,584,150	5/11/26	1-4, 6, 8-13
1,896,020	1/31/1933	10 and 11"

"The questions are: In an infringement suit by the owner of a patent for an invention, made but not patented or published abroad, to restrain an innocent use, the inception of which antedates the application for patent, may the plaintiff prove that his actual date of invention was earlier than the commencement of the asserted infringing use? Is the delay of the patentee in this case in applying for patent a bar to relief for alleged infringement? Does commercial use of the patented process and apparatus in the alleged infringer's plant for more than two years prior to the application for patent preclude redress?"

Process claims 1-4, 6, 8-17 of Patent 1,584,150 and apparatus claims 10 and 11 of Patent 1,896,020, the claims of those patents then before this Court, were adjudged invalid because of respondent's two years' prior public use of the Hardinge Mill and process in Philadelphia. The decree was reversed and the cause remanded to the District Court with directions to dismiss the bill as to those patents.[2]

With respect to Patent 1,584,149, this Court said (R. IV, 1290-1291; 307 U. S. 20):

"Fourth. The defense of prior public use is not made out against Patent 1,584,149, for which application was filed January 30, 1922. The defendant's commercial production commenced about six months earlier. The District Court held the patent valid and infringed. *Its claims cover merely a process for the production of a finely divided chemically reactive lead powder by introducing relatively large masses of lead into a rotatable vessel, rotating the vessel at a relatively low speed, forming the powder by attrition resulting from the rubbing of the masses against each other, and blow-*

[2] R. IV, 1292.

ing the powder from the vessel by a current of air. The process and apparatus covered by the other two patents in issue involve use and control of an air current and use and control of temperature within the receptacle for the oxidation of the lead.[3] With respect to 1,584,149, the trial court said:

> " 'Whether or not '149 is for the same process as U. S. patent '150 is immaterial, so far as the question of validity of either is concerned. There is no double patenting involved. The two patents issued on the same day. They both expire on the same day. There can be no extension of the monopoly and one is not prior art against the other.

---

[3] Emphasis throughout this brief is counsel's, unless otherwise noted.

The italicized statement was in affirmance of the views originally expressed by the Trial Court and by the Circuit Court of Appeals. The Trial Court there said (R. II, 1167):

> "Claim 2 of '149 is another process claim of this type, referring to 'a finely divided chemically reactive lead powder of such fineness and activity as to be readily changed chemically on exposure to air'. The air current is introduced into the vessel for the purpose of removing the powder formed by attrition of the lead masses. *This patent contains no suggestion of the oxidizing effect of the air, or of temperature control.*"

The Circuit Court of Appeals, in its original opinion, concluded (R. II, 1225):

> "After a careful examination of the record and briefs, we are of the opinion that the facts found by the learned District Judge are based upon substantial evidence, that he has properly applied the law to these facts and reached correct conclusions.
>
> "Accordingly we affirm the decree upon his opinion."

The italicized portion of this Court's opinion thus became the law of the case. *General Pictures Corp. v. Western*

"'The fact that '149 does not disclose the oxidizing function of the air or refer to the highly important element of the process having to do with the temperature control necessary to its successful operation might throw doubt upon its validity in view of the prior art. This is, of course, upon the assumption that it is not for the same invention as '150. The whole matter however is rather academic since '149 is coincident in duration with '150, and the defendant's process infringes the somewhat more precise, if not narrower, claims of '150.

"'This patent is therefore held valid and infringed.'

"The holding was assigned as error in the Circuit Court of Appeals and is specified as error in the petition for certiorari.

"In view of our decision that 1,584,150 is invalid and of the basis of the decision below respecting 1,584,-149, we think the petitioner is entitled to a reexamination of the questions of the validity and infringement of the latter."

It was so ordered (307 U. S. 5, 22; R. IV, 1292).

After remand by this Court, the District Court, putting aside, it is believed, the law of the case with respect to the construction and meaning of the claims of Patent 1,584,149, reversed its views with respect to that patent and held that Patent 1,584,149 involves oxidation and temperature control (R. IV, 1304-6), that Claim 2 is valid and infringed and that Claim 1, which does not include introduction of air, is invalid by reason of the prior art.

Electric Co., 304 U. S. 175, 178; *Alabama Power Co. v. Ickes*, 302 U. S. 464; *In re Sanford Fork & Tool Co.*, 160 U. S. 247.

Upon cross-appeals to the Circuit Court of Appeals, The Electric Storage Battery Company presented to that Court, these questions:[4]

"I. Are not both claims of patent 1,584,149 invalid,

(a) under R. S. 4887 by reason of Japanese patents 41,728 and 42,563 to Shimadzu;

(b) for want of utility;

(c) for want of invention;

(d) because the amendment to the application changing the revolutions of the mill from 15-25 per *hour* to 15-25 per *minute* was made January 4, 1926 and without supplemental oath?

"II. Does not the law of the case, as well as the patent, prevent reading into patent '149 the oxidation and controlled elevated temperature of patent '150?

"III. Were oxidation and controlled temperature now to be read into patent '149 would it not be invalid,

(a) under R. S. 4888 for inadequate disclosure;

(b) because of defendant's prior commercial public use thereof in its Tudor Mill operations?[5]

---

[4] These questions were stated, as the "Questions Involved", under and pursuant to the Rules of that Court which provide (Rule 14, paragraph 1),

"Assignments of Errors shall not be required except in appeals in criminal cases."

Rule 26, paragraph 3, which requires that the brief of appellant shall contain:

"(b) A statement of the questions involved * * *; ordinarily no point will be considered which is not set forth in or necessarily suggested by the statement of questions involved."

Appendix p. 4a.

[5] Although, when this case was first here, this Court held "the defense of prior public use is not made out

"IV. Does defendant's process infringe patent '149?

"V. Because of their laches, are plaintiffs not barred from all relief?"

The Circuit Court of Appeals affirmed the decree of the District Court adjudging Claim 1 of patent 1,584,149 invalid in view of the prior art, but reversed the decree of the District Court with respect to Claim 2 and adjudged that claim invalid under RS § 4887 (35 U. S. C. § 32) by reason of Japanese Patent 42,563, the application for which was filed more than twelve months prior to the filing of the application for Patent 1,584,149.

---

against 1,584,149 * * *", yet that ruling was made upon the then concurrent decisions of the District Court, the Circuit Court of Appeals, and this Court, that, to quote the words of the District Court (R. II, 1167)

> "this patent contains no suggestion of the oxidizing effect of the air, or of temperature control";

or, as stated by this Court (R. IV, 1290-1291),

> "Its claims cover merely a process for the production of a finely divided chemically reactive lead powder by introducing relatively large masses of lead into a rotatable vessel, rotating the vessel at a relatively low speed, forming the powder by attrition resulting from the rubbing of the masses against each other and blowing the powder from the vessel by a current of air."

The Tudor Mill operation, prior to July 24, 1917, produced a lead oxide powder (DX-78; R. III, 1244-1247). Consequently, if the law of the case is not now to prevail and the function of the air in 1,584,149 is now to be said to involve "use and control of air current and use and control of temperature within the receptacle for the oxidation of the lead", the Tudor Mill commercial operation is invalidating prior public use.

Petition filed herein discloses no valid reason for granting the writ.

The petition filed herein fails to set forth any valid reason why certiorari should be granted.

No question of "importance to the public, as distinguished from that of the parties", is here involved.[6]

The case was remanded by this Court to the District Court with directions "to determine whether 1,584,149 is valid and infringed". In so determining, the Court below held both claims in issue invalid.

In *Keller v. Adams-Campbell Co.*, 264 U. S. 314, 319, it was said:

> "Such an ordinary patent case with the usual issues of invention, breadth of claims and non-infringement, this court will not bring here by certiorari unless it be necessary to reconcile decisions of Circuit Courts of Appeals on the same patent."

No conflict exists between decisions of Circuit Courts of Appeals with respect to any claim of Patent 1,584,149.

The first reason relied upon by the petitioners for the allowance of the writ, is, in effect, that the Courts below were not at liberty, under the decision of this Court, to consider the validity of the claims of Patent 1,584,149 under R. S. 4887 by reason of Japanese Patents 41,728 and 42,563. This reason overlooks or ignores the fact that the case was remanded by this Court to the District Court with express direction "to determine whether 1,584,149 is valid and infringed".

"A respondent or an appellee may urge any matter appearing in the record in support of a judgment, * * *"

LeTulle v. Scofield, 308 U. S. 415, 421;
Stelos Co. v. Hosiery Corp., 295 U. S. 237, 238-9.

[6] Layne &c. Co. v. Western Well Works, 261 U. S. 387, 393.

The second reason urged by the present petitioners for the allowance of a writ of certiorari, is based upon the third reason assigned for the granting of the writ in the petition for certiorari filed by The Electric Storage Battery Company, when the case was first before this Court (No. 441, October Term 1938). That point was dealt with in the brief in support of the petition of The Electric Storage Battery Company at page 23 thereof. It is there made clear that that point pertained to Patents 1,584,150 and 1,896,020, and not to Patent 1,584,149. Indeed, the point itself reveals that it applied, and was intended to apply, *only to those patents applied for more than two years after June 1921.*

Further, petitioners, in their third reason, attempt to construe certain statements made by this respondent in its petition and brief on argument to this Court in No. 441, October Term 1938, as concessions that Japanese Patents 41,728 and 42,563 are not for the same inventions, if any, as Claims 1 and 2 respectively of United States Patent 1,584,149. That attempt is without justification. The petitioner in No. 441, October Term 1938, made no such concessions. That question was not then before this Court. Both Courts below had held that the Japanese Patents were not for the inventions of the Claims of Patent 1,584,149. Under what is commonly called the "two-court rule", The Electric Storage Battery Company was then bound, so far as the questions then before the Court were concerned, by the concurrent findings of the Courts below. Indeed, this Court in its opinion in that case (307 U. S. 5, 9), said:

> "No controversy of fact is involved as the petitioner concedes it must accept the concurrent findings of the courts below."

This recognition of the two-court rule, petitioners here attempt to construe as an admission of fact, notwithstanding this Court remanded the case with directions to determine whether 1,584,149 is valid and infringed.

The lack of substance in petitioners' third reason relied upon for allowance of the writ, is made manifest in the Appendix to the petition (pages 5 and 6 under the caption "Excerpts from Defendant's Brief before Circuit Court of Appeals on Second Appeal", at pp. 24-25). Respondent here has at all times asserted that Japanese patents 41,728 and 42,563 are for the same "inventions" as Claims 1 and 2 respectively of 1,584,149 and that any construction put upon patent 1,584,149 must likewise be given to the Japanese patents and vice versa.

This reason contains no hint of any "important question of Federal law".

The fourth reason relied upon by petitioners for the allowance of the writ is fallacious. It has an unsound major premise. Claims 2 and 3 of Japanese Patent 42,563 are:

R. III, pp. 1253, 1254:

"(2) In order to achieve the purpose recorded above, a method of manufacturing chemically reactive lead powder is claimed, as stated in the previous paragraph, which governs the size of the particles by means of the velocity of currents of inblowing *air*.

"(3) In order tc achieve the purpose recorded above, a method of manufacturing chemically reactive lead powder is claimed, as stated in the preceding paragraphs, which provides for continuously or periodically supplying raw material in the form of lumps of lead at a given rate, and blowing out the finished par-

ticles by the force of the *wind* [7] so that the work is done continuously."

The Court below said:

(R. IV, 1478): "We think that precisely as an operator skilled in the art would have obtained commercially valuable results if he had followed the disclosures of '149 and '150, he would obtain similar results by following the teachings of '563."

(R. IV, 1480): "The process claimed in Claim 2 of '149 is substantially identical with that claimed in the claims of '563. The specifications of the two patents are also substantially identical."

The Court's finding of identity between the claims of Japanese Patent 42,563 and Claim 2 of Patent 1,584,149 presents no "important question of Federal law"; it presents no question of "importance to the public, as distinguished from that of the parties"; [8] and it presents no matter upon which there is any conflict of decisions of Circuit Courts of Appeals.

The fifth reason relied upon by petitioners for allowance of the writ not only presents no "important question of Federal law", but it is met by Japanese Patent 41,728 (DX-111, R. III, 1248-1250) and the prior art set up in defendant's answer. (R. I, 37-42.)

The sixth reason relied upon by petitioners for allowance of the writ they seek, disregards the facts that—

(1) Patent 1,584,150 does not purport to be a continuation, either in whole or in part, of the application filed January 30, 1922, which eventuated in Patent 1,584,149. On the contrary, patent 1,584,150 says (page 1, lines 1-3),

---

[7] "Wind" is defined by Webster as "Any movement of air, usually restricted to natural and horizontal movements; air in motion with any degree of velocity".

[8] Layne &c. Co. v. Western Well Works, 261 U. S. 387, 393.

"This application is a continuation in part of application 431,473 [9] filed Dec. 17, 1920;"

(2) Petitioners sought and failed, when this case was here as No. 441, October Term 1938, to have Patent 1,584,150 adjudged entitled to the filing date of 1,584,149.[10]

(3) A decree finally dismissing the bill of complaint as to United States Letters Patent 1,584,150 and 1,896,020 was entered, on mandate of this Court, November 15, 1939; that decree is not here involved.

(4) Were Patent 1,584,150 for the same "invention" as 1,584,149, Patent 1,584,150 would be invalidated by Japanese Patents 41,728 and 42,563 in like manner as 1,584,149 is thereby invalidated.

Petitioners' sixth reason presents no "novel question of Federal law".

It is believed that the petition presents no valid reason for the granting of the writ of certiorari and should be denied.

March 11, 1942.

Respectfully submitted,

HUGH M. MORRIS,
Attorney for Respondent.

A. B. STOUGHTON,
A. F. KWIS,
E. S. FARNUM, JR.,
ALEXANDER L. NICHOLS,
Of Counsel for Respondent.

---

[9] Application Serial No. 431,473 is PX-39. It is *not* the application for Patent 1,584,149.

[10] Shimadzu's "Petition for correction of opinion and corresponding modification of orders and for rehearing on one of the issues together with supporting affidavits therefor". *Elec. Storage Battery Co. v. Shimadzu et al.*, 307 U. S. 616, 617.